

# Affordable Housing

Mildrilyn Davis
Director, Office of Housing



## Housing Agencies and Missions

- City of Alexandria: Office of Housing
  - Policy development for affordable housing
  - Affordable housing development and preservation
  - Home purchase and home rehabilitation programs
  - Landlord-tenant relations
  - Fair housing testing and education
- Alexandria Redevelopment and Housing Authority (ARHA)
  - Public Housing
  - Housing Choice (Section 8) Vouchers
  - Tax-Exempt Bonds
  - Redevelopment, Preservation



# Our Challenge





## From 2000 to 2014:

- HUD median income for Washington, DC metropolitan area increased by 30%, from \$82,800 to \$107,000
- Average rent for market rate two bedroom unit in Alexandria increased by 70%, from \$1,034 to \$1,753
- Average assessed value of residential property increased by 156%, from \$191,341 to \$490,442:
  - Single family: 160%, from \$260,907 to \$677,375
  - Condominiums: 171%, from \$106,875 to \$287,495

### **Typical Hourly Salary:**

Retail Sales Person: \$18.75















# Hourly wage needed to rent, 2014 (not to exceed 30% of income):

1 Bedroom (\$1,399): \$26.90

2 Bedroom (\$1,753): \$33.71

Housekeeper: \$12.50

Janitor: \$12.00

Child Care Worker: \$24.51

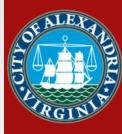
Police Officer II: \$ 27.88

Auto Mechanic: \$24.03

Administrative Support II: \$20.67

Bus Driver: \$18.26

Source: Web site (Indeed.com/salary); City of Alexandria 2014 Market Rent Survey Wage: ((average rent/.3)\*12months)/2,080 work hours per year



# Who Needs Affordable and Workforce Housing

### **AFFORDABLE**

#### Rental

2 persons @ 60% AMI (\$51,360) Can Afford Rent @ \$1,284

- Two Food Preparation Workers
- Construction Worker and Housekeeper
- Licensed Practical Nurse (LPN)
- Teacher

#### **Ownership**

3 persons @ 80% AMI (\$77,340) Can Afford \$282,000 Condo

- Fire Fighter
- Retail Manager and Medical Assistant
- Police Officer



#### **WORKFORCE**

#### **Rental**

2 persons @ 80% AMI (\$68,480) Can Afford Rent @ \$1,712

- Teacher and Home Health Aide
- Accountant
- Librarian
- Bus Driver and Receptionist

### **Ownership**

3 persons @ 120% AMI (\$116,560) Can Afford: \$438,000 Condo

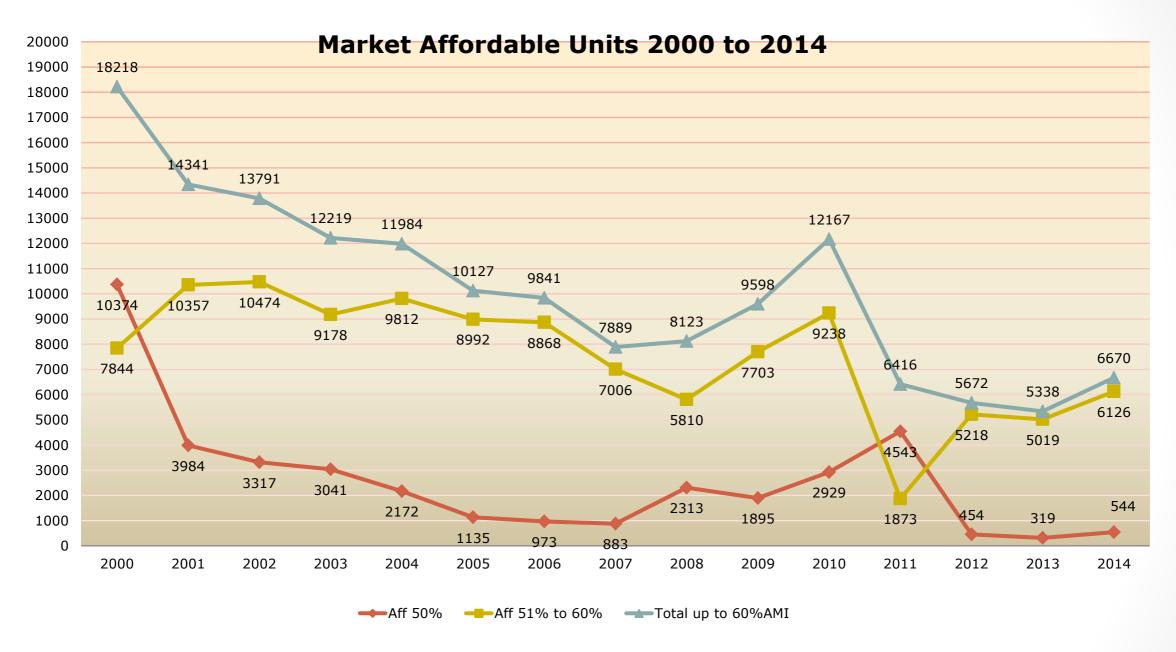
- School Psychologist
- Two Schoolteachers
- Electrician & Retail Manager







## **Threatened Assisted Rental Housing**



- 871 assisted units of non-Resolution 830 units will face potential loss by June 2015
- An additional 480 units face threats from July 2015 June 2020



| Assisted Housing Type                                 | Number<br>of Units |
|---|--------------------|
| Resolution 830 (public housing and replacement units) | 1,150              |
| Non Resolution 830                                    |                    |
| Project-Based Sec. 8                                  | 950                |
| LIHTC and/or Tax Exempt<br>Bonds                      | 1,378              |
| Set-aside rental units                                | 79                 |
| Local assistance (incl. federal CDBG/HOME) only       | 159                |
| TOTAL   | 3,716              |

| <b>Housing Choice Vouchers</b> | 1906 |
|--------------------------------|------|
|--------------------------------|------|





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- Currently 3,716 Publicly Assisted Rental Units
- 2010 Demand was approximately 14,000
- Market Rate Affordable Housing is continuing to decline
- ARHA Voucher Wait list has 7,850 households and the Public Housing Wait list has 6,804 households





# Our Principles and Goals

## Housing Master Plan Guiding Principles



- Principle 1: Variety of housing options at all incomes
- Principle 2: Housing choice for all ages and abilities
- Principle 3: Active partnerships
- Principle 4: Key priorities for distribution and preservation
  - Access to transportation and services
  - Strategic preservation or location opportunities
  - Geographic distribution
- Principle 5: Social and cultural diversity through mixed income communities
- Principle 6: Healthy and growing economy requires affordable housing







Goal 1: Preserve long-term affordability and physical condition of assisted and market affordable rental housing

Goal 2: Provide or secure affordable and workforce rental housing through strategic development and redevelopment

**Goal 3: Provide affordable home purchase opportunities** 

**Goal 4: Enable homeowners to remain in their homes** 



## Housing Master Plan Goals

Goal 5: Provide safe, quality housing choices for households of all ages and abilities

Goal 6: Enhance public awareness of the benefits of affordable housing

Goal 7: Enhance public awareness of the benefits of healthy, well-designed, and energy efficient housing.





## Our Resources





| FY 2012     | FY 2014                                 | Approved<br>FY 2015   |
|-------------|---|---|
|             |   |   |
| \$1,142,519 | \$652,478                               | \$659,371   |
| \$815,124   | \$378,739                               | \$365,897   |
| \$1,921,705 | \$2,313,228                             | \$2,436,81<br>3   |
| \$511,500   | \$2,525,000                             | \$970,000   |
|             | \$1,142,519<br>\$815,124<br>\$1,921,705 | \$1,142,519 \$652,478<br>\$815,124 \$378,739<br>\$1,921,705 \$2,313,228 |



# Our Development and Preservation Activities



# Voluntary Contribution Formula Update

| Development Category | 2005<br>Rates | 2014 Rates |
|----------------------|---------------|------------|
| Non-Residential      | \$1.50        | \$1.85     |
| Tier 1 Residential   |               |            |
| For-Sale             | \$2.00        | \$2.47     |
| Rental               | \$1.50        | \$2.47     |
| Tier 2 Residential   | \$4.00        | \$4.94     |



## Bonus Density: Section 7-700

- Allows City approval of up to 20% increase in allowed density
  - may exceed 20% where allowed by Small Area Plan
- Requires dedicated affordable units in exchange for bonus
  - 1/3 of bonus units (or equivalent)
  - equivalency can be established with a different number of units if the size (square footage or number of bedrooms) of the units provided achieves an equivalent contribution
- Allows affordable units off-site
  - equivalent contribution value
- Allows cash in-lieu of on site units
  - equivalent contribution value





## Rental

- 55 units in 12 market rental properties
- 12 units in one market condominium property

## Ownership

- 26 set-aside units in four developments
- Additional 7 set-aside units with expiring covenants
  - 6 (2 properties) in FY 15; 1 in FY 17
- 24 set-aside units with previously-expired covenants
- 95 resale-restricted units via purchase assistance requirements

<sup>\*</sup>figures exclude City-assisted affordable development projects

# Pending Affordable Housing Contributions



- Units pledged under construction 63
  - Braddock Metro Place 10 units
  - Potomac Yard Landbay J 8 units
  - Giant at Potomac Yard 12 units
  - Park Meridian 33 units
- Units pledged, not yet under construction 118
  - Stevenson Ave 9 units
  - Hoffman 56 units
  - Mt Vernon Village Center 28 units
  - The Delaney 23 units (project revision pending)
  - Slater's Lane 2 units (ownership)
- Outstanding pledged monetary contributions: \$26.1M
  - Payable when projects are completed

# Beauregard Plan Affordable Housing



- Beauregard Small Area Plan calls for demolition of 2400 units
- Affordable housing provisions provide for 800 new (599) and preserved (201) affordable and workforce units, committed for a period of 40 years
- Development will span 30 years; process will be gradual
- Without Plan, current market affordable units could be lost through
  - Rent increases
  - Renovation and repositioning
  - Redevelopment within existing density/FAR



## City-Funded Units Since FY 2007

- New Development 150 units; City investment \$12.3M
   The Station at Potomac Yard 64
   Beasley Square (rehab and new addition) 8
   Jackson Crossing (under construction) 78
- Acquisition/Rehabilitation 272 units; City \$14.5M
   Arbelo/Lacy/Longview 119
   Beverly Park 33
   ParcView 120
- Rehabilitation Only 38 units; City \$1.4M
   612 Notabene 10
   Lynhaven Apartments (in progress) 28
- ARHA Redevelopment/Rehab 160 units; City \$15.3M
   Alexandria Crossing/West Glebe 84
   Quaker Hill 60
   Miller Homes (James Bland replacement) 16



## City-Funded Project: Jackson Crossing

Under Construction by AHC, Inc.



Total Units: 78 City investment: \$2.5M plus City land (\$720K value)

Project financing includes Low Income Housing Tax Credits

## Other Office of Housing Programs/Activities



- Home Rehabilitation Loans
   \$90,000 construction cost limit; may be exceeded for lead-based paint
- Homeownership Assistance (special projects only)
  up to \$50K depending on income; additional \$10K for City/ACPS
  employees
  - Homeownership Counseling
  - Condo Ownership Education
- Beauregard Relocation
- Landlord-Tenant Complaint Mediation
- Annual Rent/Vacancy Survey
- Fair Housing Testing Program
- Fair Housing Training



# Questions?

## Office of Housing

421 King St., Suite 200 Alexandria, VA 22314 703.746.4990

www.alexandriava.gov/Housing



## Supplemental Slides: Current and Recent Projects



## Current ARHA Project

- Redevelopment Underway
  - James Bland (134 public housing, 231 market rate units), ARHA. To be developed in 5 phases. Phases I, II and IV completed (80 ARHA units, 137 market units). Phase V (including Phase III) is underway, with the final 54 ARHA units and 94 market units. City investment: \$4.8M for 16 off-site replacement units







## The Station at Potomac Yard



## ParcView Apartments

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Acquired by Wesley Housing Development Corporation with City assistance; rehabilitation completed



Total units: 159 (120 after Rehab) City investment: \$9 million



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Acquired by Wesley Housing Development Corporation; rehabilitation completed



Total units: 41 (33 after rehab) City investment: \$2,000,000



## Beasley Square

Sponsored by Harambee Community and Economic Development Corporation; rehabilitation and new construction in progress; completed January 2011





Total Units: 8 City investment \$1,139,000



Acquired by Alexandria Housing Development Corporation from RPJ Housing; rehabilitation in progress





Total units: 34 City investment: \$3,500,000





## Lacy Court Apartments

Acquired by Alexandria Housing Development Corporation from RPJ Housing; windows replaced; CDBG-R stimulus funds designated for energy & other improvements; major rehabilitation pending





Total units: 43

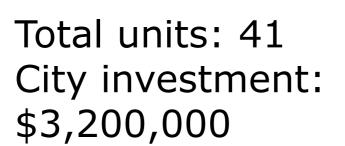


City investment: \$7,250,003

# Longview Terrace Apartments

Acquired by Alexandria Housing Development Corporation from RPJ Housing; rehabilitation in progress











## Quaker Hill

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Previous investor's 99% interest in tax credit partnership acquired by the Alexandria Redevelopment and Housing Authority (ARHA); rehabilitation completed.





Total units: 60 City investment: \$4,700,000



# Alexandria Crossing



Total Units: 84 public housing; 9 workforce; 1 RPO; 12 market City investment: \$7,040,000



# Questions?

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# Planning & Zoning

**Karl Moritz Acting Director** 



# Questions?

**Planning & Zoning** 

301 King St., Room 2100 Alexandria, VA 22314 703.746.4666

www.alexandriava.gov/Planning